

Assembly Joint Resolution

No. 23

Introduced by Assembly Member Haynes

(Coauthors: Assembly Members Aghazarian, Bates, Bogh, Cogdill, Dutton, La Suer, Maze, Mountjoy, Pacheco, Samuelian, and Strickland)

(Coauthors: Senators Aanestad, Ackerman, Battin, Denham, Hollingsworth, Johnson, Knight, and Margett)

March 28, 2003

Assembly Joint Resolution No. 23—Relative to estate taxes.

LEGISLATIVE COUNSEL'S DIGEST

AJR 23, as introduced, Haynes. Estate taxes.

This measure would memorialize the President of the United States and the Congress to support legislation that would immediately and permanently repeal estate taxes.

Fiscal committee: no.

1 WHEREAS, Under federal tax relief legislation passed in 2001,
2 estate taxes were temporarily phased out, not permanently
3 eliminated; and

4 WHEREAS, Women and minorities are very often owners of
5 small and medium-sized businesses, and estate taxes prevents their
6 children from reaping the rewards of a lifetime of trying to make
7 a better life; and

8 WHEREAS, Farmers and other small businesses will face
9 losing their farms and businesses if the federal government
10 resumes the heavy taxation of citizens at death; and

1 WHEREAS, Employees suffer when they lose their jobs
2 because small and medium-sized businesses are liquidated to pay
3 estate taxes and because high capital costs depress the number of
4 new businesses that could offer them a job; and

5 WHEREAS, If estate taxes had been repealed in 1996, over the
6 next nine years the United States economy would have averaged
7 as much as \$11 billion per year in extra output, and an average of
8 145,000 additional new jobs would have been created; and

9 WHEREAS, The persistent uncertainty created by the sunset
10 provision prevents families and small businesses from taking
11 advantage of the temporary repeal; and

12 WHEREAS, Having repeatedly passed both Houses of
13 Congress, elimination of estate taxes has proven to hold wide
14 bipartisan support; now, therefore, be it

15 *Resolved by the Assembly and Senate of the State of California,*
16 *jointly,* That the Legislature of the State of California
17 memorializes the President and the Congress of the United States
18 to support legislation introduced in Congress that would
19 immediately and permanently repeal estate taxes; and be it further

20 *Resolved,* That the Chief Clerk of the Assembly transmit copies
21 of this resolution to the President and Vice President of the United
22 States, to the Speaker of the House of Representatives, to the
23 Majority Leader of the Senate, and to each Senator and
24 Representative from California in the Congress of the United
25 States.

